PACIFIC FRUIT EXPRESS COMPANY

April News Letter

San Francisco, April 17, 1957

ALL P.F.E. EMPLOYEES:

1957 APR 22 AM 8 27

P. F. E. Loadings

	1957			1956		
	PFE Cars	Foreigns	Total	PFE Cars	Foreigns	Total
March	26,489	1,087	27,576	29,041	1,558	30,599
Jan.-March	81,254	3,785	85,039	88,824	5,011	93,835

CAR SITUATION

Car supplies are building up well in both Northern and Southern California where heavy perishable loading will be concentrated during May, June and July. Some surplus PFEs developing in Eastern consuming centers are being directed to foreign line service, which diversion may continue until the end of April, after which all PFE cars will be turned to the West Tide for prompt movement to California via both Overland and El Paso routes.

CROP CONDITIONS

Along Southern Pacific:

Oregon. Several hundred carloads of pears remain in storages in Rogue River Valley. Loading is in normal volume of 70 to 80 shipments per week, which will continue until storages are exhausted. Klamath potato shipping is about finished although there is still a considerable supply in storages. Miscellaneous items from Willamette Valley consisting principally of frozen foods, canned goods and nursery stock will continue in light volume.

Northern California. Lettuce movement from Salinas Valley is under way and will reach good volume the last 10 days in April. Kern County potatoes commenced shipping Monday, April 8; movement from this large acreage is expected to increase gradually and not reach heavy volume until May. Asparagus from Stockton area has been moving well and shipping is expected to continue throughout April. Growing weather has been favorable and all tree fruit crops appear to be in excellent condition.

Southwest District. Salt River lettuce is on decline, which will continue through April. The successful Mexican vegetable season is nearing completion. Cantaloupes and watermelons are past peak but movement will continue into May. Melon crops in Imperial and Yuma Valleys are in good condition and should be ready for first harvesting early in May.

T.&N.O. Lettuce and miscellaneous vegetables from Uvalde-Eagle Pass area is in seasonal decline. Rio Grande Valley loading consists principally of carrots and onions. Cantaloupes and early spring vegetables, mainly sweet corn, tomatoes and cucumbers,

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need warmer weather to bring on and sustain production. Mexican melons are past heavy loading period and crossings will continue in decreasing amounts remainder of month.

Along Union Pacific:

Idaho. Potatoes have continued to move in lighter than normal volume due to poor marketing conditions. The plentiful supplies in storages are in good condition but with new potatoes from California and other states coming into production it is doubtful that all remaining Idahos will be shipped to fresh markets.

Northwest District. Apple and pear loadings will continue below normal due to lighter crop. Other items consisting of canned goods, frozen foods, beer and miscellaneous will move on seasonal basis.

Eastern District: Only occasional shipments of potatoes are moving by rail. Loadings for April will be mostly P.H.P., canned goods and miscellaneous commodities from Missouri River centers.

SOURCES OF P.F.E. REVENUES

	1956		1955	
Car mileage and rental		78.1%		78.1%
Refrigeration: Ice and salt	15.9%		15.6%	
Other refgn rev.	4.7		4.9	
Total refrigeration		20.6		20.5
Heater service		.4		.4
Miscellaneous		.9		1.0
		100.0%		100.0%

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The State of Idaho takes an active interest in industrial safety matters and recognizes outstanding performance with special safety awards to groups completing one-million man-hours without a reportable injury. Our Nampa Store Department received the first Idaho award in 1955.

On April 4, Nampa Car Shops was presented with the fifth Governor's Safety Plaque of the State of Idaho in recognition of achievment of the million man-hour goal. Presentation was made by Mr. W. L. Robison, Commissioner of Labor, and was witnessed by representatives of the Union Pacific Railroad, town businessmen, Mayor Preston Capell of Nampa and, of course, Pacific Fruit Express Company employees.

In the meantime, Nampa Shop passed its two-million man-hour mark without a reportable injury and is now well on the way to three-million. More power to them!

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HISTORY REPEATS ITSELF

Recently in discussion with Earl Jacks of Jacks Bros. & McBurney, one of our old-time shipping firms, I was told that back in the early part of 1920 PFE cars 1, 2, 3, 4 and 5 were spotted at their loading shed in exactly that order, at his loading doors numbered in that same sequence. Last month when our new cars were being sent to Yuma, by coincidence the same thing happened again: PFE 11111, 11112, 11113, 11114 and 11115 were spotted in identically the same order. Rather unusual occurrences as in neither instance was anything like this planned.

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There is attached a reproduction of an article by Mr. Jeff Roark, appearing in The Packer, entitled "What If There Weren't Enough Refrigerator Cars To Go Around?". This article has created a great deal of interest in the perishable shipping industry, at least among the shippers, and we hope it will stimulate some serious thinking among the receivers. I think you too will find it of interest.

K. V. Plummer

Reproduced from The Packer, March 16, 1957

A Packer Man Wonders:

WHAT IF THERE WEREN'T ENOUGH REFRIGERATOR CARS TO GO AROUND?

By Jeff Roark

Los Angeles, March 15 - The nation's refrigerator car fleet - RS-type cars adapted to fresh fruit and vegetable shipments - has dropped below 100,000 cars in the past few years. Significantly, there were more than 118,000 RS-type cars in service at the beginning of World War II in 1941.

What meaning can be placed on this shrinkage of more than 20,000 cars, or approximately 17 percent, in this fleet so important to the welfare of the fresh fruit and vegetable industry? Certainly the shortages, restrictions and emergencies of World War II have long since ceased to exist. There has been no physical bar, for virtually ten years, to the replenishment of this fleet.

Meanwhile, our population bounces ahead, per-capita consumption of fresh fruits and vegetables is probably actually increasing. We are growing and distributing far more fresh fruits and vegetables today than we were in 1941, or 1951 for that matter.

The obvious answer is trucks. The increasing usage of truck-highway transport for our products, both short and especially long haul, in the past ten years, would seem to make a national rail fleet of around 97,773 cars - that's the exact figure as of November 1,1956 - an adequate, comfortable supply to meet all requirements of the industry as of the moment. No shortages of note have occurred in any shipping district during the past few years. So far as is known none are anticipated during 1957.

WHAT OF THE FUTURE?

But What of the future?

Late last year, all refrigerated car lines had only 3,039 new RS-type cars on order. SFRD and GATX had none at all, although they did have other types. PFE, whose fleet represents over a third of the national total, had 1,800, or more than half of the total.

However, as responsible source points out, those 1,800 were for replacements, and conceivably retirements will outnumber replacements before all 1,800 cars are in service. That observation could well hold true for all car lines. In other words, the national fleet of less than 100,000 cars today could well shrink below 90,000 in the ensuing ten years.

> The truck devotee can well ask: What's so bad about that? Conceivably, the available truck equipment will have increased comparably in the same period, and there will be ample transportation facilities for whatever tonnage this industry has to haul, and the country wants.

There is no intent here to quarrel with that concept. Certainly the truck has proved itself a highly adaptable and flexible instrument when it comes to transporting perishables. And, furthermore, the next ten years could conceivably see many of the rough spots and common problems which now confront the trucking industry largely erased.

But has the full meaning, or meanings, of this trend been carefully contemplated? Is this industry prepared to accept gracefully the adjustments and changes which a perpetuation of this trend is almost certain to require?

PRACTICAL ECONOMICS

Carlines are neither dreamers nor philantropists. Ultimately the question of refrigerator car replacements gets to a group of men around a shiny conference table who think in terms of practical economics. Why, they doubtless ask, should we tie up something like $12,000 a car, or millions of dollars a year, to maintain a certain sized fleet, when dwindling requirements are already causing a lot of cars to stand idle already?

> That would be the first step. Older cars wear out and must be retired. The fleet dwindles. Spot car shortages appear here and there, become more aggravated and widespread. Eventually, the grower-shipper uses trucks, or he doesn't move his products.

The situation is over-simplified, and such a transition could take place only over a long period of time. But in the process a lot of adjustments would have to be made. The situation is probably well exemplified by a California shipper who said recently:

> "We use trucks. A lot of them. And yet I sometimes shudder when I think what would happen if we didn't have refrigerator cars and the conveniences and services we've grown to accept from the carlines."

> "Suppose, for example, I'm shipping cantaloupes. When I, along with 30 other shippers, start out in the morning, we don't know whether we are going to need five or ten cars apiece. And if we need even more, they're as close as our telephone. Honestly, I can't conceive of a situation - ever - of a truck fleet sufficiently flexible and readily available to meet the unpredictable day-to-day requirements of a melon deal. Or a great many other deals for that matter. And yet the carlines perform this service, year in and year out, with scarcely a word of thanks or comment."

Maybe this shipper isn't sufficiently imaginative. Significantly, he's thinking. And he is aware that the rail carriers, in addition to creating and supplying adequately built and refrigerated equipment to haul produce from one point to another have coincidentally created several other things that are too often taken for granted.

They've built up a fleet that is sufficiently large and flexible to supply even unpredictable and extraordinary requirements at any shipping point. They've developed a technique of diversions

that operates with effortless efficiency and provides a wonderful flexibility to perishable distribution. They have, willingly or unwillingly, provided a needful protective service for fresh fruits and vegetables that probably only too often persists long after the haul to market is completed. Plus a few other working services on the asset side which have grown up soundly, albeit by trial and error.

Admittedly, there are probably some in the industry who would gladly relinquish these extras for what they honestly consider a better and more satisfactory transportation medium. And coming events may prove them entirely correct. On the other hand, our rail transportation minds are neither stupid nor self-satisfied nor utterly pessimistic in approach.

These comments are projected on the assumption that there will be no change in our present peace-time economy. Moving fresh fruits and vegetables under the rigors of a wartime economy would be something else again. World War II shed quite a bit of light on that matter.

Nor is this piece a brief for any segment of the transportation world, including the refrigerated carlines. At best it is no more than a feeble attempt to hint at what is taking place, plus perhaps a timid suggestion that, admitting the "old hen" has been responsible for not a few eggs of great value through the years, it might be well to contemplate realistically what is almost certain to take place should she be allowed to starve herself into virtual non-existence.